

EXHIBIT 1

INTRODUCTION

Respondent Dennis Hansberger has been a Supervisor for the County of San Bernardino since 1996. Respondent Hansberger was also a member of the County of San Bernardino Board of Supervisors from 1972 to 1980.

As a member of the Board of Supervisors, Respondent Hansberger was appointed to the Inland Valley Development Agency (“IVDA”) and the San Bernardino International Airport Authority (“SBIAA”), which are joint powers authorities composed of elected officials from the cities of San Bernardino, Loma Linda, Colton, Highland and the County of San Bernardino. The agencies serve as master developers of the 2,100 acres of the former military property now known as the San Bernardino International Airport and Trade Center which includes a full-service airport, commercial, and industrial properties. In addition to the 2,100 acres of property, the IVDA redevelopment project area includes approximately 14,000 acres in a three-mile radius of surrounding property outside the base.

As an appointed member of the IVDA and SBIAA, Respondent Hansberger is subject to the conflict of interest provisions of the Political Reform Act (the “Act”),¹ including the provisions of section 84308. This section imposes limitations on the receipt of campaign contributions, and prescribes disclosure and disqualification requirements for members of appointed boards and commissions who make decisions with respect to licenses, permits, or other entitlements for use.

Respondent Hansberger violated section 84308, subdivision (b) by accepting a contribution of more than two hundred fifty dollars (\$250) from a party to three proceedings involving a license, permit or other entitlement for use, two before the IVDA and one before the SBIAA, within three months following the date final decisions were rendered in those proceedings.

For the purposes of this stipulation, Respondent’s violations of the Act are stated as follows:

COUNT 1: On May 7, 2002, Respondent Hansberger accepted a \$1,000 campaign contribution from Associated Engineers, a party to proceedings involving two contracts totaling \$33,400 before the Inland Valley Development Agency, within three months following the date final decisions were rendered in the proceeding in violation of section 84308, subdivision (b).

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18109 through 18997 of title 2 of the California Code of Regulations. All regulatory references are to title 2, division 6 of the California Code of Regulations, unless otherwise indicated.

COUNT 2: On May 7, 2002, Respondent Hansberger accepted a \$1,000 campaign contribution from Associated Engineers, a party to a proceeding involving a contract for \$758,340 before the San Bernardino International Airport Authority, within three months following the date a final decision was rendered in the proceeding, in violation of section 84308, subdivision (b).

SUMMARY OF THE LAW

Section 84308 deals specifically with members of appointed boards or commissions who make decisions in proceedings that involve licenses, permits, or other entitlements for use, and the receipt of campaign contributions from persons involved in those proceedings. Although the receipt of campaign contributions is not a basis for disqualification under the conflict-of-interest provisions found in sections 87100 et seq., under section 84308 there are restrictions in the amount and timing of contributions, which can trigger disclosure and disqualification requirements.

Section 84308, subdivision (b) prohibits solicitation or acceptance of campaign contributions of more than \$250 from certain persons during proceedings which involve licenses, permits, or other entitlements for use, or for three months after the final decision. Subdivision (b) states in part:

“No officer of an agency shall accept, solicit, or direct a contribution of more than two hundred fifty dollars (\$250) from any party, or his or her agent, or from any participant, or his or her agent, while a proceeding involving a license, permit, or other entitlement for use is pending before the agency and for three months following the date a final decision is rendered in the proceeding if the officer knows or has reason to know that the participant has a financial interest [in the decision].”

Section 84308, subdivision (a) sets forth various definitions of specific terms used in the above prohibitory statutes. A *party* means any person who files an application for, or is the subject of, a proceeding involving a license, permit, or other entitlement for use. A *participant* means any person who is not a party but who actively supports or opposes a particular decision in a proceeding involving a license, permit, or other entitlement for use and who has a financial interest in the decision.

Pursuant to regulation 18438.3, a person is an *agent* of a party to, or a participant in, a proceeding involving a license, permit, or other entitlement for use, only if he or she represents that person in connection with the proceeding involving the license, permit, or other entitlement for use.

Under section 84308, subdivision (a)(3), *Agency* means an agency as defined in Section 82003, except the courts or any agency in the judicial branch of government, local governmental agencies whose members are directly elected by the voters, the Legislature, the Board of Equalization, or constitutional officers. However, this section

applies to any person who is a member of an exempted agency but is acting as a voting member of another agency. An *officer* is defined in section 84308, subdivision (a)(4) as any elected or appointed officer of an agency, and any candidate for elective office.

Under section 84308, subdivision (a)(5), “*License, permit, or other entitlement for use*” means all business, professional, trade and land use licenses and permits and all other entitlements for use, including all entitlements for land use, all contracts (other than competitively bid, labor, or personal employment contracts), and all franchises.

SUMMARY OF THE FACTS

COUNT 1

At the February 13, 2002 meeting of the IVDA, the Board voted to enter into two contracts with Associated Engineers (“AE”) for amounts not to exceed \$5,000 for the plans, specifications and construction management of the Meadows Roof Project, and \$28,300 for the engineering and construction management of water pipe line extensions for various hangars and other areas for fire suppression services. Eight board members voted to approve the contract, and one member abstained. Respondent Hansberger voted in favor of awarding the contracts to AE.

On May 7, 2002, within three months following the date the final decision was made approving the AE contract, Respondent Hansberger accepted a \$1,000 campaign contribution from AE, in violation of section 84308, subdivision (b).

COUNT 2

At the February 13, 2002 meeting of the SBIAA, the Board voted to enter into a contract with AE for an amount not to exceed \$758,340 for the preparation of plans, specifications, cost estimates, design and construction surveys, bid support services, and inspection and post construction services for the Runway Rehabilitation Project. The vote to approve the contract with AE was unanimous and Respondent Hansberger voted in favor of the motion.

On May 7, 2002, within three months following the date the final decision was made approving the AE contract, Respondent Hansberger accepted a \$1,000 campaign contribution from AE, in violation of section 84308, subdivision (b).

CONCLUSION

This matter consists of two counts which carry a maximum administrative penalty of Ten Thousand Dollars (\$10,000).

Respondent Hansberger is an experienced public official who has been a member of numerous boards and commissions. He should have been aware of the conflict of interest requirements for members of appointed boards and commissions found in section

84308. While accepting a contribution of more than \$250 from a party to a proceeding within three months of a final decision to approve a contract with that party is serious, these violations were somewhat mitigated due to the fact Respondent properly disclosed the contribution on his campaign statement, which made it possible for the public to uncover Respondent's violations of section 84308. In addition, the \$1,000 contribution was not a large percentage of his campaign receipts and Respondent has returned the contribution. Accordingly, an administrative penalty in the amount of Three Thousand Dollars (\$3,000) is appropriate for each violation.

The facts of this case, including aggravating and mitigating factors, justify imposition of the agreed upon penalty of Six Thousand Dollars (\$6,000).